

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7040**

**BILL NUMBER:** HB 1706

**NOTE PREPARED:** Jan 9, 2005

**BILL AMENDED:**

**SUBJECT:** Nursing Home Fire Safety.

**FIRST AUTHOR:** Rep. Day

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires a health facility to have an automatic fire sprinkler system throughout the facility by July 1, 2007, and a smoke detector in each patient's room.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** This bill would require a smoke detector in each patient room of a health facility by July 1, 2005. This would require that all long-term care health facilities have smoke detectors in each patient room. Current federal regulations do not require smoke detectors in every patient room if the facility has a sprinkler system. Smoke detectors are required to be hard-wired with battery backups. The fiscal impact would be dependent upon the number of patient rooms that currently do not have existing smoke detectors. The State Fire and Building Services Department reports that some facilities may have smoke detectors in each room, depending on the building code that was in force when the facility was constructed. If the installation of smoke detectors would be determined to be a Medicaid allowable cost, about 67% of the total cost of the smoke detectors and installation may be reimbursed by Medicaid. The Medicaid Program is jointly funded by the state and federal governments. The state share of program expenditures and any subsequent recovery of expenditures is approximately 38%.

The bill would also require facilities, not currently under a requirement to do so, to have automatic fire sprinkler systems installed by July 1, 2007. Current building requirements for nursing facilities require automatic fire sprinkler systems, so new construction would not be impacted. The State Department of Health reports that there are currently 16 health facilities in Indiana that do not have automatic fire sprinkler systems. An additional 8 facilities are reported to be partially protected by sprinkler systems. However, none of these

facilities are believed to be county-owned facilities.

*Background Information:* Facilities reported to have no sprinkler systems and affected by the provisions of the bill are the following.

<b>Facility Name</b>	<b>Beds Licensed</b>	<b>Location</b>
Vernon Manor Children's Home	119 NF	Wabash
Simmons Loving Care Health Facility	46 NF	Gary
Summit Convalescent Center	34 NF	Summitville
Rural Health Care	50 NF	Indianapolis
St. Augustine Home for the Aged	42 NF & 25 Res.	Indianapolis
Maple Manor Christian Home	42 NF & 15 Res.	Sellersburg
Woodland Hills Care Center	90 SNF/NF Beds	Lawrenceburg
St. Mary Health Care Center	37 NF, 49 SNF, & 17 NCC	Lafayette
Healthwin	143 SNF/NF	South Bend
McCurdy Healthcare Center	13 SNF, 135NF, 14 SNF/NF, & 18 Res.	Evansville
Williamsport Health & Rehab. Center	91SNF/NF	Williamsport
Pine Haven Health & Rehab. Center	28 SNF and 69 SNF/NF	Evansville
Lake County Nursing and Rehabilitation	117 NF	East Chicago
Wesley Manor	76 NF Beds & 279 Res.	Frankfurt
George Ade Memorial Health Care	67 SNF/NF	Brook
Providence Home Health Care Center	60 SNF/NF	Jasper

Facilities reported to have partial sprinkler systems and affected by the provisions of the bill are the following.

Facility Name	Beds Licensed	Location
St. John's Home for the Aged	47 NF	Evansville
Gibson General Hospital -SNF	45 SNF/NF	Princeton
St. Anthony Home	11 SNF, 166 NF, 30 SNF/NF, & 5 NCC	Crown Point
Core of Huntingburg,	74 SNF/NF	Huntingburg
St. Catherine Hospital - TCU	19 SNF/NF	East Chicago
King's Daughter's Hospital - TCU	29 SNF	Madison
Sebo's Nursing and Rehab. Center	138 SNF/NF	Hobart
Our Lady of Holy Cross Care Center	200 SNF/NF Beds	San Pierre
SNF- Medicare; NF- Medicaid; SNF/NF = Medicaid/Medicare Certified; NCC - Non-certified Comprehensive Care; and Res.- Residential Care.		

The State Department of Health reports that these facilities are required to meet the standards that were in place when they were initially constructed or certified.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Nursing facilities owned and operated by local units of government would be required to install smoke detectors. These facilities would be impacted by the expense of acquiring and installing smoke detectors to the extent that these units may not be in each patient room.

**Explanation of Local Revenues:**

**State Agencies Affected:** Fire Prevention and Building Safety Commission; State Fire Marshall; the Indiana State Department of Health; Office of Medicaid Policy and Planning of the Family and Social Services Administration.

**Local Agencies Affected:** Local government-owned nursing facilities.

**Information Sources:** ISDH rules at 410 IAC 16.2-3.1-2 and Fire Prevention and Building Safety Commission rules at 675 IAC. Zach Cattell, Legislative Liaison, Indiana State Department of Health, (317) 233-2170; Mara Snyder, Staff Attorney, Office of the State Fire Marshall, (317) 233-5341.

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